



## TOP 10 Personal Income Tax Errors That Delay Return Processing – 2010

Category	Error	Solution
■ <b>Income</b>	Incorrect adjusted gross income amount (Rank 8/10)	Check adjusted gross income amount on Line 16 of Form 540 2EZ, Line 17 of Form 540A, 540, or 540NR to ensure correct amount is used or computed correctly.
■ <b>Deductions</b>	Incorrect standard or itemized deduction amount used based on filing status (Rank 2/10)	See Line 18 of Form 540A, 540, or 540NR for correct standard deduction amount or instructions and worksheet for correct itemized deduction amount.
■ <b>Tax</b>	Incorrect total tax amount computed which can affect computation on any applicable schedule (Rank 3/10)	Check total tax amount on Line 21 of Form 540 2EZ, Line 64 of Form 540A or 540, or Line 74 of Form 540NR to ensure amount is computed correctly. Check any affected schedule to ensure amount is correctly transferred over.
	Incorrect total tax amount computed because of an error in calculating total tax or total credits (Rank 4/10)	1) Check total tax amount on Line 21 of Form 540 2EZ, Line 64 of Form 540A or 540, or Line 74 of Form 540NR to ensure amount is computed correctly. 2) Check total credits on Line 20 of Form 540 2EZ, Line 47 of Form 540A or 540, or Line 62 of Form 540NR (long form) to ensure amount is computed correctly.
■ <b>Payments and Credits</b>	Estimated tax payment amount claimed is different from total amount received (Rank 1/10)	Check personal tax records for estimated tax payments made to the <b>Franchise Tax Board (FTB)</b> . Also, check Line 92 on last year's 2009 Form 540A or 540, or Line 102 of Form 540NR (long form) to verify amount requested to be applied to this year's estimated tax is correct. Corrections made to last year's state tax return can affect total amount paid for this year. Refer to any FTB notice received that shows these adjustments. Go to <a href="http://ftb.ca.gov">ftb.ca.gov</a> under <b>My FTB Account</b> to verify estimated tax payments.
	Withholding amount claimed is different than total amount shown on Form W-2 or other wage document attached to return (Rank 6/10)	See instructions for Line 22 of Form 540 2EZ, Line 71 of Form 540A or 540, or Line 81 of Form 540NR. Confirm only California income tax withheld is claimed and that the amount is computed correctly. Attach appropriate documents to support amount claimed. Go to <a href="http://ftb.ca.gov">ftb.ca.gov</a> under <b>My FTB Account</b> to verify withheld amount.
	Incorrect total tax amount computed based on filing status, dependents, or adjusted gross income (Rank 7/10)	1) Confirm correct filing status is used. 2) Check dependents claimed on Line 10 of Form 540A, 540, or 540NR to ensure correct number of dependents is used, all names are listed, and amount is computed correctly. 3) Check CA adjusted gross income Line 17 of Form 540A, 540, or 540NR to ensure amount is computed correctly.
	Incorrect total tax amount used based on incorrect total exemption amount transferred, incorrect exemption number or amount computed, or incorrect total exemption amount claimed based on adjusted gross income (Rank 10/10)	1) Check exemption credit amount on Line 32 of Form 540A or 540 to ensure correct amount is transferred from Line 11 of same form. Form 540NR: Check prorated exemption credit amount on Line 39 to ensure amount is computed correctly by using exemption amount on Line 11 and exemption credit percentage on Line 38 of Form 540NR. 2) Check exemptions to ensure correct number is used and check amount on Line 11 of Form 540A, 540, or 540NR to ensure amount is computed correctly. 3) If federal AGI amount on Line 13 of Form 540A, 540, or 540NR (long form) is greater than \$162,186, see instructions for Line 32 of Form 540A or 540, or Line 39 of Form 540NR (long form) to claim correct amount.
■ <b>Nonresident Return</b>	Incorrect California taxable income amount used based on incorrect amount computed or transferred, incorrect deduction percentage computed, or percentage incorrectly applied to the deduction (Rank 5/10)	Check California taxable income on Line 35 of Form 540NR (long form) to ensure correct amount is computed and transferred from Line 49, Part IV of Schedule CA (540NR). Or, check Line 35 of Form 540NR (short form) to ensure Line 33 deduction percentage and Line 34 prorated deduction amount on 540NR (short form) are computed correctly.
■ <b>Amended Return</b>	Original refund amount received does not match original refund amount shown on amended return (Rank 9/10)	Check original refund amount on Line 28 of Form 540 2EZ, Line 115 of Form 540A or 540, or Line 125 of Form 540NR to put on amended return. Exception: If refund was adjusted after original return was filed, use adjusted refund amount on amended return.